

Keane Solution Transforms Performance Management and Optimizes Budget Process at Retailer

Keane delivery of SAP BusinessObjects Planning and Consolidation budgeting platform replaced manual processes and reduced consolidation time by 95%.

Abstract

This 4,000 unit chain of value-driven variety stores, needed a dynamic budgeting solution to continue to drive down costs as a percentage of revenue, support accelerated organic growth as well as mergers and acquisitions, and provide for increased iterations to enable improved accuracy of forecasts. A collaborative approach between Keane's EPM consulting team and our client resulted in an integrated and intuitive system that dramatically improved the budgeting process.

Challenge

When stores operate at a one dollar price point, cost control must represent a primary financial strategy. More specifically, leveraging SG&A as a percentage of revenue requires revenue

growth as well as continuous monitoring and discipline in expenditures. Our client's legacy budgeting and forecasting process was a spreadsheet based system which required significant effort to create and maintain.

Our client's budgeting was disjointed, with payroll, capital expenditure, revenue, and expense planning all used as standalone processes, each with its own manual consolidation and reconciliation. As a result, consolidation of the budget was a largely manual effort that took up to two weeks to complete. Users did not have a consistent, repeatable approach to their annual budgeting process, which in turn reduced the visibility of budget owners.

The herculean effort required by the budget department limited their ability to react to budget alterations and resulted in significant staff overtime to accomplish even minor

Implementation Strategy

To deliver this solution in a rapid timeframe, Keane used a customized approach based upon SAP's ASAP methodology and incorporated their own implementation tools, programs, and templates. This approach for managing and monitoring the full life cycle of a SAP BPC implementation resulted in the following benefits:

- » Ensured that the right resources are engaged at the right time.
- » Incorporated best practices, lessons learned, and knowledge transfer.

Application and Infrastructure Solutions

Keane Client Story:

Industry: Retail

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revisions. Over 150 budget templates had to be maintained. Inadvertent changes to the budget templates and cumbersome file system based security further added to the frustration of both administrators and users. In fact, our client's unorthodox security requirements necessitated that account level security be recreated for every budget cycle and updated for every iteration.

Solution

The implementation of SAP BusinessObjects Planning and Consolidation gave our client the immediate benefit of a robust, flexible, and unified budgeting solution with an intuitive user interface. The system used a set of dynamic input templates and reports that garnered immediate acceptance by the business user community. By implementing payroll, capital expenditure and expense planning modules within the same application, consistent and repeatable business process flows were defined that guided even the most casual users through the entire budgeting process.

The multidimensional repository on which the various budget templates were built gave our client instantaneous consolidations on all levels of the management hierarchy and enabled the finance team to proactively monitor the companywide process and respond to any issues that arose. In addition, a sophisticated security module was implemented that layered role-based profiles together with team-based access, leveraging the tool to eliminate the previously used and

error prone file system security setup. Finally, Keane collaborated closely with our client's power users paying particular attention to knowledge transfer, and guided them through the building of custom budget input schedules and comparative analysis reports.

Results

The implementation of a unified SAP BPC budgeting system provides our client with automation of certain processes and added efficiencies to their annual planning, monthly forecasting, and financial reporting processes. In addition, the new system is flexible, reliable, and user friendly, and provides more accurate and timely information to stakeholders in support of strategic decision making. More specifically, our client realized the following business benefits:

- » **Instant consolidations:** Using SAP BPC, Keane was able to reduce consolidation time by 95%. This in turn resulted in an increased amount of analysis and the ability to add several iterations to the 2011 budget cycle.
- » **Consistent, repeatable business process:** Keane designed and created BPC Business Process Flows to guide users through the unified payroll, capital expense, revenue, and budget planning process. Managers are automatically notified by email when subordinates complete their budgets.
- » **Stable security definitions:** Security is defined by team and by role within the application and stays in

Implantation Strategy

- » Established open lines of communication between relevant resources and stakeholders.
 - » Provided a common collection of artifacts to streamline the process and standardize tracking and control.
 - » Encouraged agreement of all relevant parties through formal signoffs at each milestone.
 - » Captured and tracked benefit expectations and realization.
 - » Instituted effective change management procedures and user training of altered processes.
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effect as long as users are active. Maintenance of security was reduced to user and/or role changes and transitioned back to the IT department.

- » **Dynamic, reusable budget templates:** Keane created Excel budget templates as part of the implementation that required minimal maintenance. Since templates are constructed in a familiar Microsoft format, they are easy for end users to complete.

- » **Empowered user community:** Keane performed continuous knowledge transfer efforts through the development phase ensuring that our client can continue after the implementation with a large pool of skilled, self-sufficient users.

The implementation of SAP BusinessObjects Planning and Consolidation gave this retailer the immediate benefit of a robust, flexible, and unified budgeting solution with an intuitive user interface.

About Keane

Keane, an NTT DATA Company, is an IT services firm headquartered in the US with more than 12,500 professionals worldwide. For 45 years, Keane has been an Application Services specialist with distinguished project management credentials. Today, we offer a flagship suite of Application Services, as well as Infrastructure and Business Process Outsourcing solutions delivered through onsite, nearshore, and offshore resources.

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